GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture

MAY 22, 2001

Barge Collision Stops Traffic Near St. Louis. The Chain of Rocks Canal, north of St. Louis, MO, was closed temporarily on May 21, following a barge collision at the canal's upstream entrance. The collision occurred at about 3:30 a.m. after a 15-barge tow from the towboat Tom Talbert, heading down river, collided with barges tied up at the National Maintenance and Repair Inc. boatyard at Hartford, IL, north of St. Louis, and south of Lock and Dam 26. That collision caused five barges from the Talbert tow, six more from National Maintenance, and three of National's dry docks to be set adrift. Of these, one National work barge sank near the entrance to the canal, while two of the five Talbert barges, one loaded with grain and the other with coal, sank further south on the Mississippi River, near the Interstate 270 bridge. Except for the barges that sank, the drifting barges were corralled before 8 a.m., and the Coast Guard reopened the canal shortly after 3 p.m. after determining that the sunken work barge was not a danger to river traffic. Four deckhands were injured during the incident, only one of whom was kept at Alton Memorial Hospital for observation.

The 8-mile-long Chain of Rocks Canal is located downstream from the Melvin Price Locks and Dam (L/D 26), at Alton, IL, and slightly south of where the Missouri River flows into the Mississippi. It bypasses L/D 27, the southernmost lock on the Mississippi River, also providing a navigation bypass for the obstructive Chain of Rocks reach of the Mississippi River.
(St. Louis Post-Dispatch, 5/21, U.S. Army Corps of Engineers http://www.mvs.usace.army.mil/pm/riverplan)

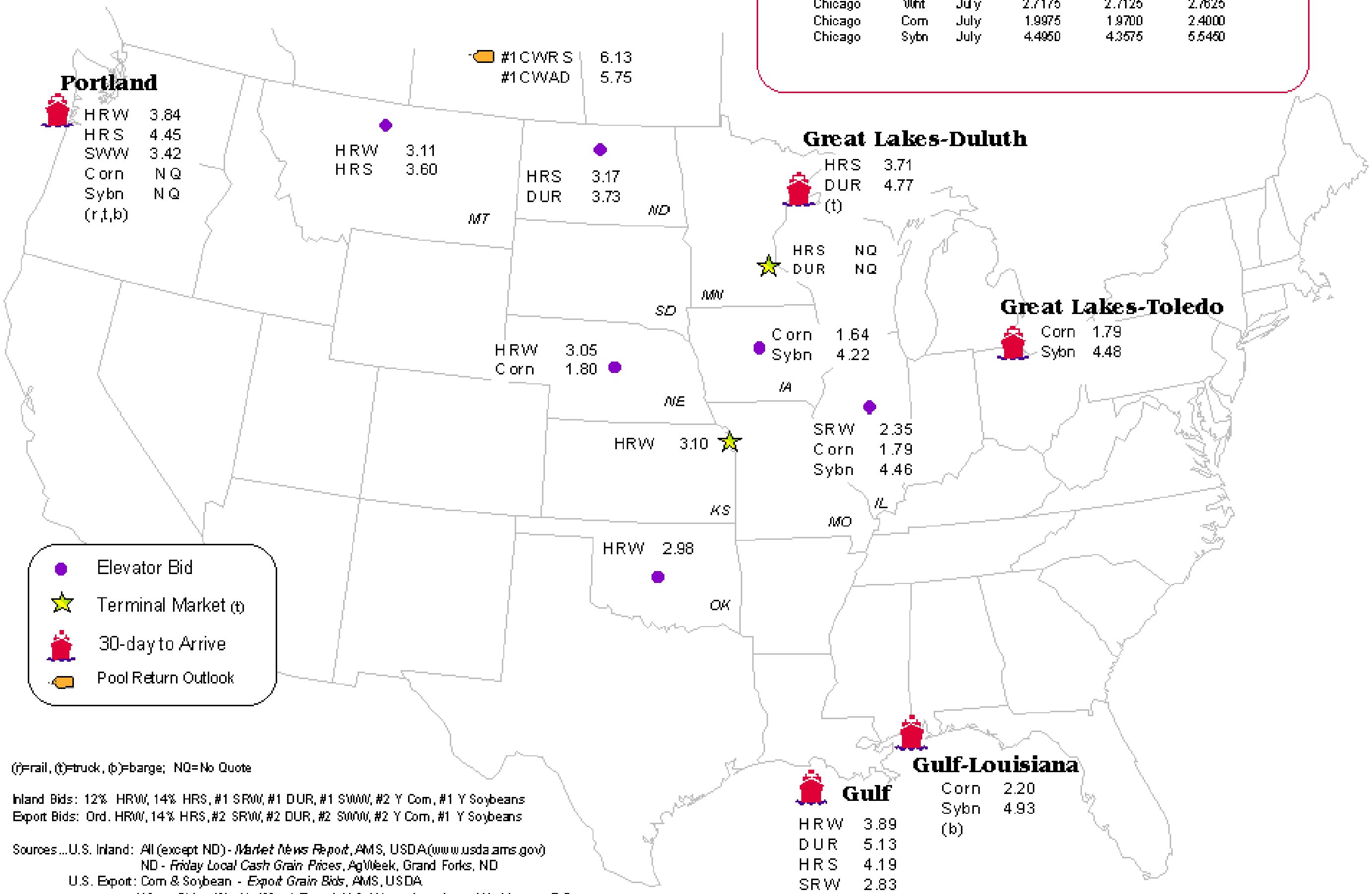
Shipper Group Concerned Over AAR Appeal. The National Industrial Transportation League (NITL), the Nation's largest shippers' organization, voiced concern recently over an additional appeal by the Association of American Railroads (AAR) of a decision issued by the Surface Transportation Board (STB). The most recent STB determination stems from a December 21, 1998, decision, a July 2, 1999, decision, and an April 6, 2001, decision by the STB addressing AAR's request to include product and geographic competition in determining whether a defendent railroad has market dominance over the traffic involved in rail rate cases. Market dominance, according to 49 U.S.C. 10707 (a), is defined as "an absence of effective competition from other rail carriers or modes of transportation for the transportation to which a rate applies." The AAR's appeal argued that the statutory definition of market dominance requires consideration of all types of competition, including product and geographic competition. According to the decision, the AAR also contended that, in deciding to exclude consideration of product and geographic competition, the STB had failed to seek a reasonable accommodation of relevant congressional policies, particularly the policy "to allow, to the maximum extent possible, competition and the demand for services to establish reasonable rates for transportation by rail, " as expressed in 49 U.S.C. 10101(1) ((Rail Transportation Policy)RTP-1).

In response, the STB has determined that the inclusion of evidence regarding product and geographic competition would impose substantial burdens on both the parties and the STB. In part, it would force the agency "to address matters outside of our areas of expertise, requiring us to grapple with...complex non-transportation issues...," thereby lengthening the time to resolve rail rates cases. Although the STB acknowledged that introducing product and geographic competition evidence may have bearing on a rail rate case, it emphasized that any related benefits would be outweighed by "harm to shippers and the administrative process in considering such evidence. It also noted that it would be better able to "more expeditiously, efficiently, and effectively carry out our mandated functions by limiting the market dominance inquiry to the scope expressly required by the statute." The STB further stated that the potential for litigation relating to such evidence could keep a captive shipper from bringing a valid complaint to the agency. This would undermine the Rail Transportation Policy (RTP-6), which ensures that "rates are limited to reasonable levels where effective competition is absent." The STB concluded that substantial benefits of excluding product and geographic evidence from consideration in rail rate cases outweigh the alternative of considering such evidence. NITL president, Ed Emmett, suggested that railroads become more customer focused instead of pursuing the product and geographic competition issue. (National Industrial Transportation League, 5/16 http://www.nitl.org/press3.htm, http://www.stb.dot.gov/decisions)

AAR's CEO Speaks of Improved Service. AAR President and CEO, Edward R Hamberger, in an April 24 speech to the National Association of Rail Shippers, noted several rail service improvements, including money-back guarantees, on-time delivery guarantees, and the partnering of various rail lines to improve customer service. "Recent examples of service improvements and innovations are easy to find, on just about every railroad in North America," according to Hamberger. He also mentioned the substantial expenditures made by railroads since 1980 to improve infrastructure and equipment. "The answers to railroad service problems aren't going to be found at formal proceedings before government regulators ultimately telling us how to run our business," said Hamberger. Focus should instead be on investment, service innovations, and on "railroads and rail customers working together." (http://www.aar.org/pressrel.nsf)

Grain Bid Summary

Futures:			05/17/01	Week Ago 05/10/01	Year Ago 05/19/00
Kansas City	Wht	July	3.2950	3.3100	2.9900
Minneapolis	Wht	July	3.3300	3.3200	3.3150
Minneapolis	Dur	July	4.5500	4.5500	n.a.
Chicago	Wht	July	2.7175	2.7125	2.7625
Chicago	Corn	July	1.9975	1.9700	2.4000
Chicago	Sybn	July	4.4950	4.3575	5.5450

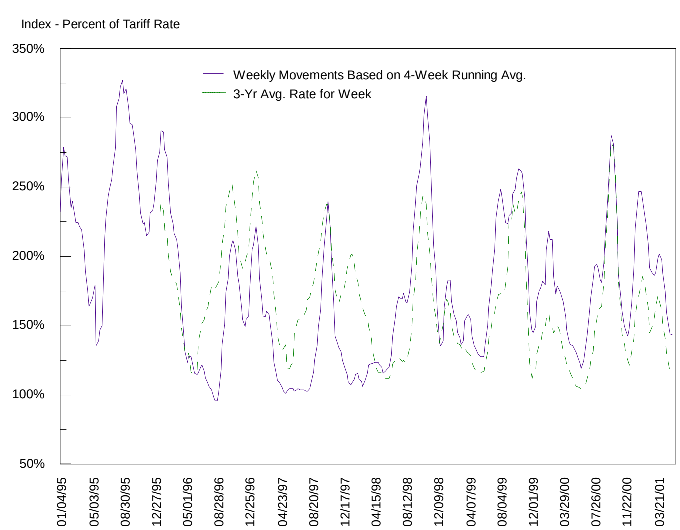


(r)=rail, (t)=truck, (b)=barge; NQ=No Quote

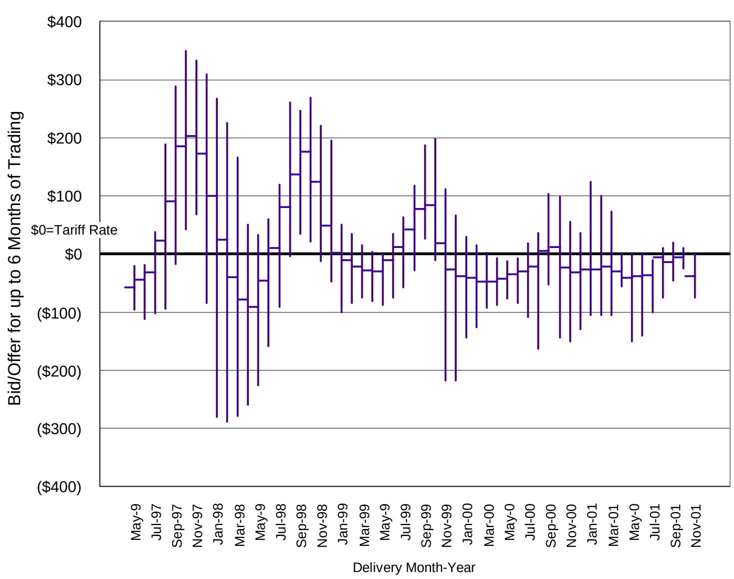
Inland Bids: 12% HRW, 14% HRS, #1 SRW, #1 DUR, #1 SWW, #2 Y Corn, #1 Y Soybeans
Export Bids: Ord. HRW, 14% HRS, #2 SRW, #2 DUR, #2 SWW, #2 Y Corn, #1 Y Soybeans

Sources...U.S. Inland: All (except ND) - *Market News Report*, AMS, USDA (www.usda.ams.gov)
ND - *Friday Local Cash Grain Prices*, AgWeek, Grand Forks, ND
U.S. Export: Corn & Soybean - *Export Grain Bids*, AMS, USDA
Wheat Bids - *Weekly Wheat Report*, U.S. Wheat Associates, Washington, D.C.
Canada: Bids in CAN$, Canadian Wheat Board, Winnipeg (www.cwb.ca)

Spot Barge Rate - Illinois River



Secondary Rail Market Bids



Rail Car 'Auction' Offerings

Delivery for:	May-01		Jul-01	
	Offered	% Sold	Offered	% Sold
BNSF-COT	12,143	6%	12,000	4%
UP-GCAS	5,400	2%	no offer	

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market
Average Premium/Discount to Tariff, $/Car - Last Week

	Delivery Period			
	May-01	Jun-01	Jul-01	Aug-01
BNSF-GF	$(7)	$(18)	$(16)	$(7)
UP-Pool	$(30)	$(38)	$(35)	$(26)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;
GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results
Average Premium/Discount to Tariff, $/Car - Last Auction

Delivery for:	Jun-01	Jul-01	Aug-01
COT/N. Grain	no bid	no bid	$0
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no offer	no offer
GCAS/Region 4	no bid	no offer	no offer

Source: T&M/AMS USDA. Data from www.bnsf.com, www.uprr.com,
(COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal/Cash Basis Values
Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate Futures	Rate Cash
05/22/01	St. Louis	June	135	140
		Aug	156	165
		Oct	218	232
		Dec	141	140
		Feb	138	0
	Illinois River	June	153	175
		Aug	174	195
		Oct	240	250
		Dec	163	175
		Feb	0	0

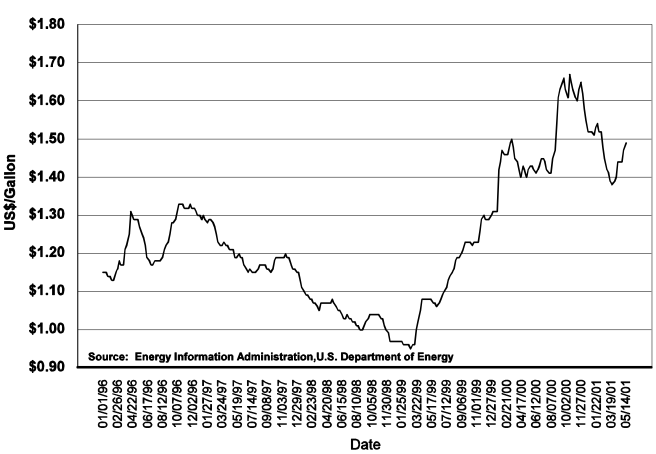
Source: St. Louis Merchants Exchange

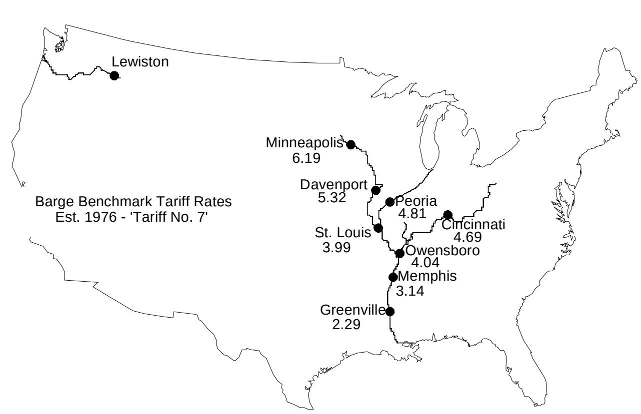
Southbound Barge Freight Spot Rates

	5/16/01	5/9/01	Jun '01	Aug '01
Twin Cities	0	0	214	230
Mid-Mississippi	185	170	180	200
Illinois River	151	136	164	189
St. Louis	120	112	128	166
Lower Ohio	120	116	128	181
Cairo-Memphis	109	107	119	163

Source: Transportation & Marketing /AMS/USDA
nq=no quote;

Weekly Retail Diesel (Road) Prices (Including Taxes)



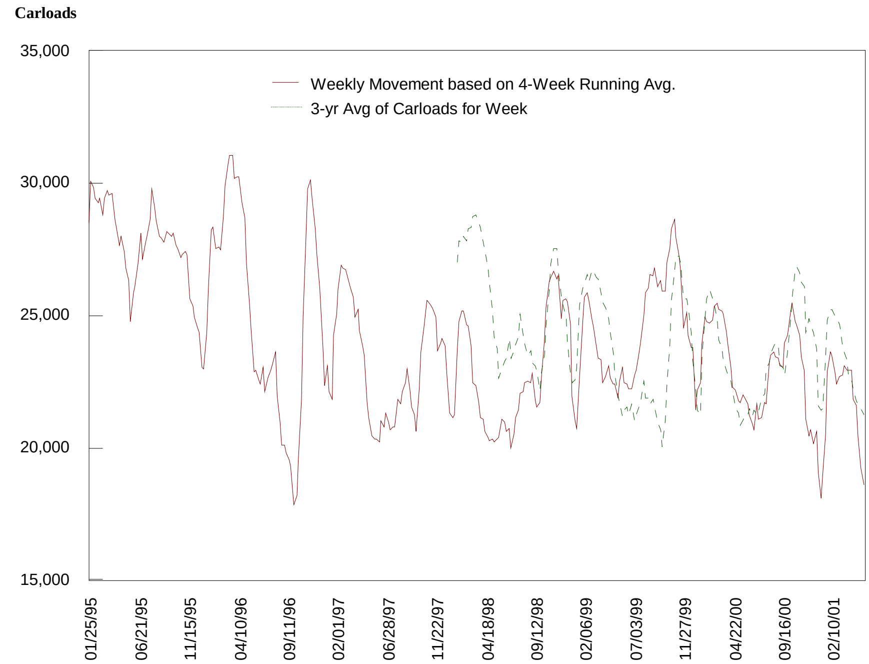


Class I Railroad Grain Car Loadings

Week Ending:	Carloads
04/28/01	18,217
05/05/01	18,163
05/12/01	16,928
Year to Date - 2001	412,541
Year to Date - 2000	455,970
Total 2000	1,188,917
Total 1999	1,270,375

Source: Association of American Railroads

Grain Car Loadings for Class I Railroads



Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated

	East				West			Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN	CP
05/12/01	0	2,647	0	2,790	5,514	304	5,673	4,631	4,151
This Week Last Year	0	2,580	1,685	2,447	6,958	620	7,556	2,395	4,478
2001 YTD	0	59,959	0	59,321	158,460	8,710	126,091	91,384	86,278
2000 YTD	0	54,451	34,472	55,817	152,922	11,382	146,926	53,580	84,834
2000 Total	0	147,708	70,155	153,905	425,849	26,515	364,785	160,749	239,670
1999 Total	15,522	132,157	88,056	138,379	465,088	33,911	398,262	121,381	206,328

Source: Association of American Railroads

Tariff Rail Rates for Unit Train Shipments

May 2001

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
05/07/01	45560	Wheat	Minneapolis, MN	Houston, TX	$2,050	$22.60	$0.62
05/07/01	43521	Wheat	Minneapolis, MN	Portland, OR	$3,877	$42.74	$1.16
05/07/01	46540	Wheat	Kansas City, MO	Houston, TX	$1,550	$17.09	$0.47
05/07/01	43586	Wheat	Kansas City, MO	Portland, OR	$4,240	$46.74	$1.27
05/07/01	43581	Wheat	Omaha, NE	Portland, OR	$3,905	$43.04	$1.17
05/07/01	31040	Corn	Minneapolis, MN	Portland, OR	$2,900	$31.97	$0.81
05/07/01	31035	Corn	Kansas City, MO	Portland, OR	$2,700	$29.76	$0.76
05/07/01	31040	Corn	Omaha, NE	Portland, OR	$2,700	$29.76	$0.76
05/07/01	61180	Soybean	Minneapolis, MN	Portland, OR	$2,680	$29.54	$0.80
05/07/01	61180	Soybean	Omaha, NE	Portland, OR	$2,430	$26.79	$0.73
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	$2,780	$25.23	$0.83

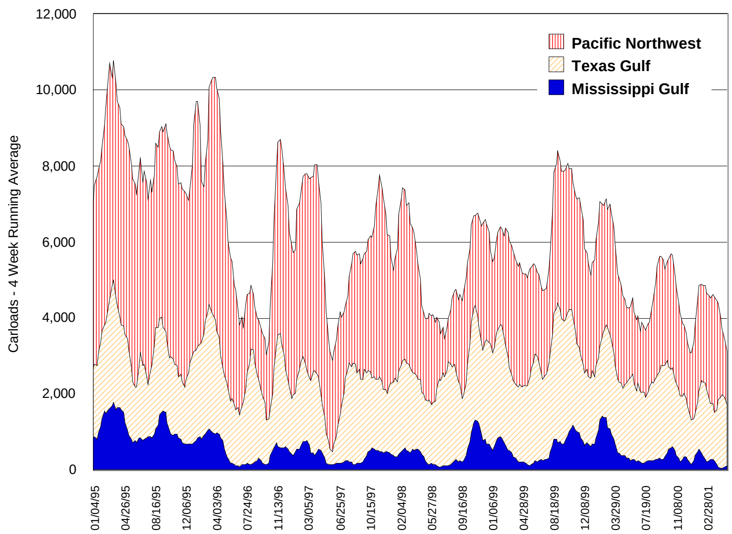
Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

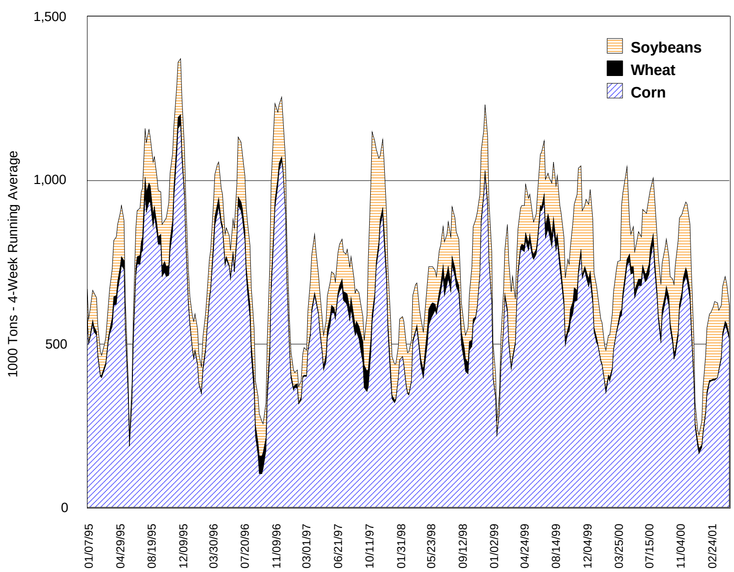
Rail Deliveries to Port
Carloads

	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
04/11/01	8*	1,810	2,142	427
04/18/01	34*	2,176	1,736	225
04/25/01	29*	2,286	1,652	48
05/02/01	109*	1,502	1,392	28
05/09/01	110*	1,479	1,356	118
05/16/01	183*	1,249	1,205	245
YTD 2001	4,886*	31,692	46,503	13,051
YTD 2000	15,898	41,819	59,012	6,834
01/05/94	16	85	237	1,394
01/12/94	3	138	221	2,156
01/19/94				

(*) Incomplete Data



Barge Movements - Locks 27



Barge Grain Movements
for week ending 5/12/01

	Corn	Wht	Sybn	Total
		1,000 Tons		
Mississippi River				
Rock Island, IL (L15)	0	0	0	0
Winfield, MO (L25)	5	0	0	5
Alton, IL (L26)	355	0	26	382
Granite City, IL (L27)	355	3	25	385
Illinois River (L8)	264	0	45	311
Ohio (L52)	45	9	11	96
Arkansas (L1)	0	29	3	32
2001 YTD	9,427	698	3,654	14,605
2000 YTD	11,243	673	3,414	16,035
Total 2000	33,482	2,518	10,327	48,247
Total 1999	36,711	2,883	9,771	51,887

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.
Source: U.S. Army Corp of Engineers; n/a=not available

U.S. Export Balances (1,000 Metric Tons)

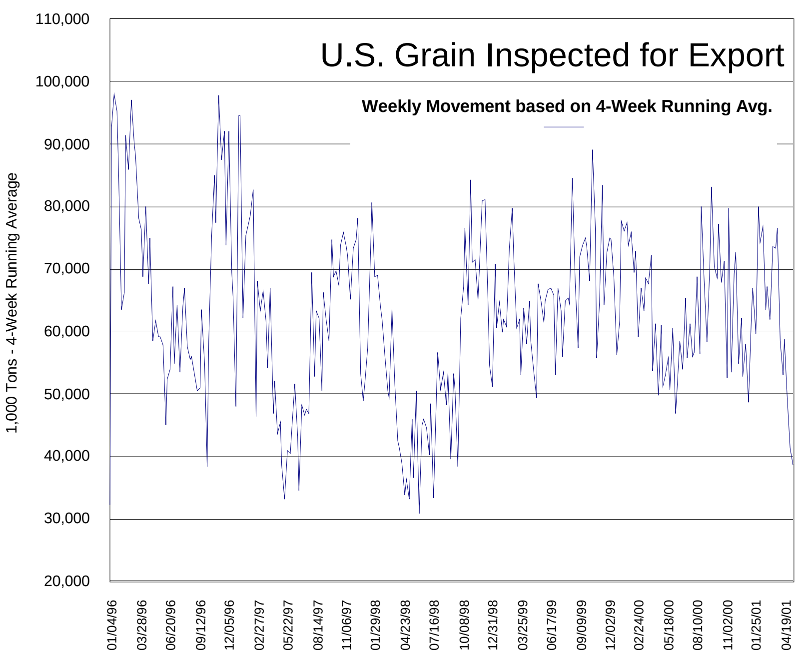
	Wheat HRW	Wheat SRW	Wheat HRS	Wheat SWW	Wheat DUR	Wheat All	Corn	Soybean	Total
Unshipped Exports-Crop Year									
05/10/01	841	515	719	458	165	2,698	5,686	2,322	10,706
This Week Year Ago	937	553	885	707	240	3,322	7,307	1,810	12,439
Cumulative Exports-Crop Year									
00/01 YTD	8,844	4,295	5,455	4,847	1,101	24,542	31,848	23,616	80,006
99/00 YTD	10,103	4,060	5,353	3,682	918	24,117	34,082	17,713	75,912
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31

Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons

	Pacific Region Wheat	Pacific Region Corn	Pacific Region Soybean	Mississippi Gulf Wheat	Mississippi Gulf Corn	Mississippi Gulf Soybean	Texas Gulf Wheat	Texas Gulf Corn	Texas Gulf Soybean
05/17/01	225	0	17	106	520	112	33	0	0
2000 YTD	3,896	1,694	1,190	2,144	12,002	7,337	2,092	164	731
1999 YTD *	3,497	3,024	662	2,358	12,715	7,597	2,226	125	717
% of Last Year	36%	39%	183%	42%	38%	49%	29%	29%	52%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

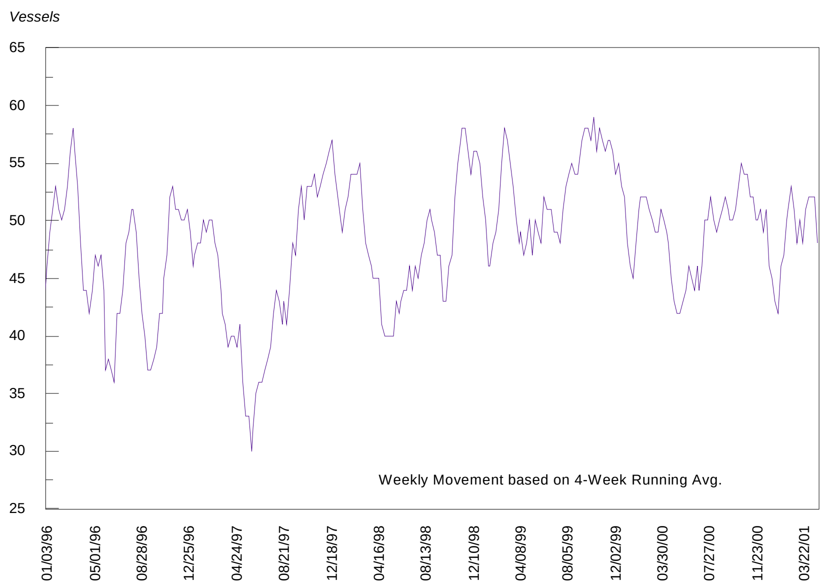
Source: Federal Grain Inspection Service YTD-Year-to-Date



Select Canadian Ports - Export Inspections
1,000 Metric Tons, Crop Year

Week Ended: 4/12/01	Wheat	Durum	Barley
Vancouver	4,041	349	936
Prince Rupert	1,502		0
Prairie Direct	896	226	331
Thunder Bay	490	171	36
St. Lawrence	1,827	1,410	25
2000 YTD Exports	8,756	2,156	1,328
1999 YTD Exports	10,154	2,406	1,174
% of Last Year	86%	90%	113%

Source: Canadian Grains Commission
YTD-Year-to-Date Crop Year 8/1-7/31



Gulf Region Vessels Loaded - Past 7 Days-

Port Region Ocean Grain Vessels

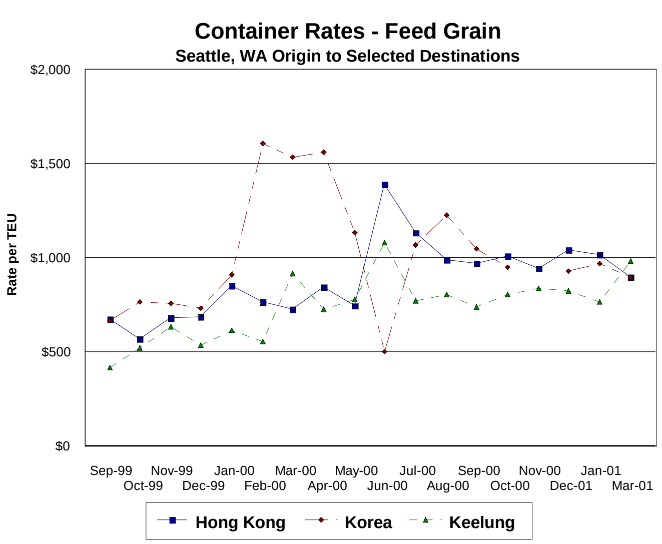
	Gulf			Pacific Northwest			Vancouver, B.C.		
	In Port	Loaded 7-Days	Due Next 10-Days	In Port	Loaded 7-Days	Due Next 10-Days	In Port	Loaded 7-Days	Due Next 10-Days
05/10/01	18	39	52	7			13	12	4
05/17/01	15	43	47	7			11	7	3
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

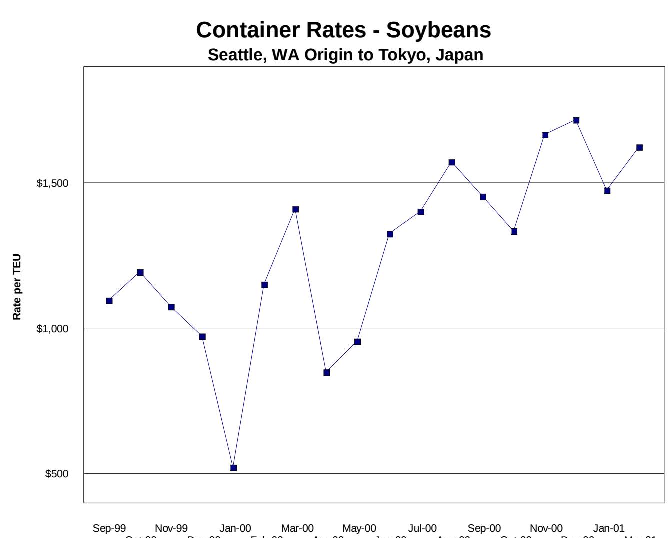
Source: Transportation & Marketing /AMS/ USDA

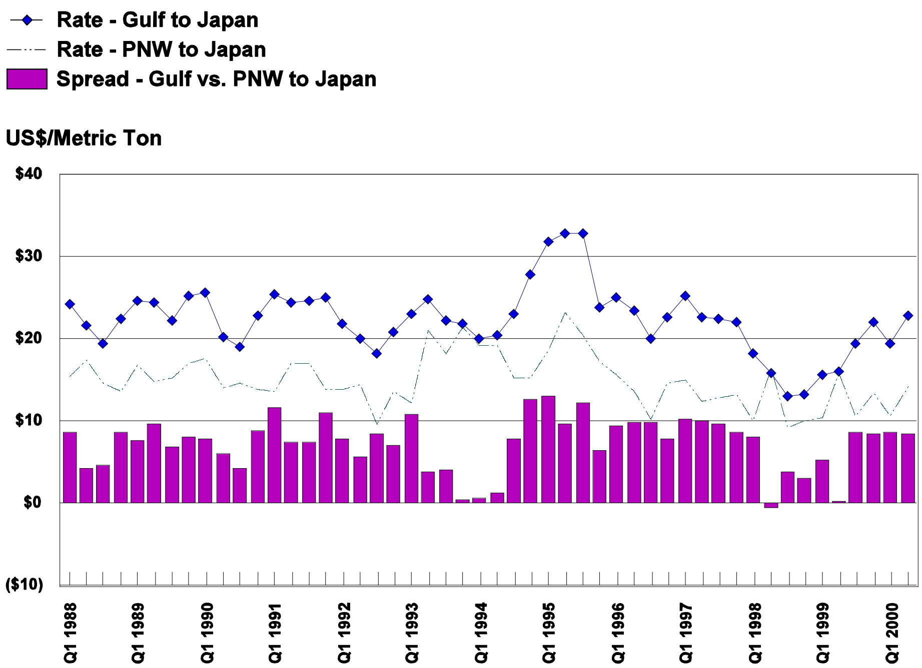
Container Ocean Freight Rates

Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share

Source: Transportation & Marketing/AMS/USDA







Quarterly Ocean Freight Rates

Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2001 1st Qtr	2000 1st Qtr	% Change		2001 1st Qtr	2000 1st Qtr	% Change
Gulf to				**Pacific NW to**			
Japan	$21.70	$21.15	3%	Japan	$16.36	$19.93	-18%
Mexico		$14.39		Red Sea/ Arabian Sea		$21.38	
Venezuela	$13.53	$11.29	20%				
N. Europe	$15.19	$14.25	7%				
N. Africa	$26.25	$18.40	43%	**Argentina to**			
				N. Europe	$16.47	$17.67	-7%
				Japan	$30.51	$27.23	12%

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 5/19/01

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate ($Ton)
Windsor (Can.)	Rotterdam	Grains	May 23/30	18,000	$20.00
Gulf	Peru	Wheat	May 15/25	30,000	$16.50
Tampa	Europe	Grains	May 25/30	20,000	$17.75
Gulf	Egypt	Wheat	June 1/10	60,000	$15.50
PNW	Japan	Heavy Grain	May 25/Jun 5	56,000	$14.10
Parana River	Peru	Heavy Grain	May 17/22	25,000	$22.00
River Plate	Colombia	Heavy Grain	Prompt	20,000	$25.00
Parana River	Tunisia	Grains	May 18/22	18,000	$38.00
River Plate	Jordan	Heavy Grain	Prompt	30,000	$31.50

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated; op=option